



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 02/05/04, by Eileen Lyons

**SYNOPSIS AS INTRODUCED:**

65 ILCS 5/8-3-14

from Ch. 24, par. 8-3-14

Amends the Illinois Municipal Code concerning the hotel operators' occupation tax. Requires that a municipality use the tax revenue to promote, among other things, economic development.

LRB093 19588 MKM 45329 b

1 AN ACT concerning municipalities.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Municipal Code is amended by  
5 changing Section 8-3-14 as follows:

6 (65 ILCS 5/8-3-14) (from Ch. 24, par. 8-3-14)

7 Sec. 8-3-14. The corporate authorities of any municipality  
8 may impose a tax upon all persons engaged in such municipality  
9 in the business of renting, leasing or letting rooms in a  
10 hotel, as defined in "The Hotel Operators' Occupation Tax Act,"  
11 at a rate not to exceed 5% of the gross rental receipts from  
12 such renting, leasing or letting, excluding, however, from  
13 gross rental receipts, the proceeds of such renting, leasing or  
14 letting to permanent residents of that hotel and proceeds from  
15 the tax imposed under subsection (c) of Section 13 of the  
16 Metropolitan Pier and Exposition Authority Act, and may provide  
17 for the administration and enforcement of the tax, and for the  
18 collection thereof from the persons subject to the tax, as the  
19 corporate authorities determine to be necessary or practicable  
20 for the effective administration of the tax.

21 Persons subject to any tax imposed pursuant to authority  
22 granted by this Section may reimburse themselves for their tax  
23 liability for such tax by separately stating such tax as an  
24 additional charge, which charge may be stated in combination,  
25 in a single amount, with State tax imposed under "The Hotel  
26 Operators' Occupation Tax Act".

27 Nothing in this Section shall be construed to authorize a  
28 municipality to impose a tax upon the privilege of engaging in  
29 any business which under the constitution of the United States  
30 may not be made the subject of taxation by this State.

31 The amounts collected by any municipality pursuant to this  
32 Section shall be expended by the municipality solely to promote

1 economic development, tourism, and conventions within that  
2 municipality or otherwise to attract nonresident overnight  
3 visitors to the municipality.

4 No funds received pursuant to this Section shall be used to  
5 advertise for or otherwise promote new competition in the hotel  
6 business.

7 (Source: P.A. 87-733.)